Plaintiff Chrome Hearts, LLC for its claims against Defendant Boutique Talulah respectfully alleges as follows:

JURISDICTION AND VENUE

- 1. Plaintiff files this action against Defendant for trademark infringement, trademark dilution under the Lanham Trademark Act of 1946, 15 U.S.C. §1051 et seq. (the "Lanham Act"), and related claims of unfair competition and trademark dilution under the statutory and common law of the State of Nevada. This Court has subject matter jurisdiction over the Federal trademark counterfeiting and infringement and trademark dilution claims under 28 U.S.C. §§1121(a), 1331, 1338(a) and 1367.
- 2. This Court has personal jurisdiction over Defendant because Defendant is incorporated and/or does business within this judicial district.
- 3. This action arises out of wrongful acts, including advertising, offering for sale, selling and distributing products by Defendant within this judicial district. Venue is proper in this district pursuant to 28 U.S.C. §1391 because the claims asserted arise in this judicial district.

THE PARTIES

- 4. Plaintiff Chrome Hearts, LLC is a limited liability company organized and existing under the laws of the state of California, with an office and principal place of business at 915 North Mansfield Avenue, Los Angeles, California 90038.
- 5. Upon information and belief, Defendant Boutique Talulah is an unknown business entity with an office and principal place of business at 3200 Las Vegas Boulevard, Suite 1145, Las Vegas, Nevada 89109.
- 6. Plaintiff is unaware of the names and true capacities of Defendants, whether individual, corporate and/or partnership entities, named herein as DOES 1 through 10, inclusive, and therefore sues them by their fictitious names. Plaintiff will seek leave to amend this complaint when their true names and capacities are ascertained. Plaintiff is informed and believes and based thereon alleges that said Defendant and DOES 1 through 10, inclusive, are in some manner responsible for the

wrongs alleged herein, and that at all times referenced each was the agent and servant of the other Defendant and was acting within the course and scope of said agency and employment.

7. Plaintiff is informed and believes, and based thereon alleges, that at all relevant times herein, Defendant and DOES 1 through 10, inclusive, knew or reasonably should have known of the acts and behavior alleged herein and the damages caused thereby, and by their inaction ratified and encouraged such acts and behavior. Plaintiff further alleges that Defendant and DOES 1 through 10, inclusive, have a non-delegable duty to prevent or cause such acts and the behavior described herein, which duty Defendant and DOES 1 though 10, inclusive, failed and/or refused to perform.

NATURE OF ACTION

8. Plaintiff seeks injunctive relief, damages and a declaratory judgment based upon Defendant's unfair competition with Plaintiff arising from Defendant's willful infringement and dilution of Plaintiff's trademarks and copyrighted works. Defendant's willful infringement has impacted both upon Plaintiff's rights directly as well as Plaintiff's ability to maintain consumer satisfaction. In this regard, it is noteworthy that most, if not all, of the infringing items below were presented in a confusingly deceptive manner in such a way that the implication to the buying public is that these items are, indeed, genuine.

ALLEGATIONS COMMON TO ALL CAUSES OF ACTION

A. Chrome Hearts and its Famous Plus Mark

- 9. Plaintiff Chrome Hearts, LLC ("Chrome Hearts") has been designing, manufacturing, and selling artistically styled leather goods, apparel, jewelry, and accessories since 1989.
- 10. Chrome Hearts sells a wide variety of quality artistic products, including leather pants, leather jackets, leather vests, sterling silver jewelry, including necklaces, bracelets, rings and wallet chains, belt buckles and a wide collection of other products, including its recent line of custom, one-of-a-kind furniture.

- apparel with fashion attire to make fashion apparel and accessories. All of Chrome Hearts' leather products are adorned with sterling silver hardware, including all of the buttons and ornamental pieces. Chrome Hearts further pioneered the look of suede inlay designs in connection with leather clothing.
- 12. Entertainers, such as Cher, Billy Idol, Aerosmith, Lenny Kravitz, Guns N' Roses, Seal, Madonna, Keith Richards, Danny Glover, Sting, Gloria Estefan, Christy Turlington, Naomi Campbell and Sharon Stone can all be seen in Chrome Hearts' fashions. Chrome Hearts products are sold in the exclusive CHROME HEARTS stores throughout the world and in select specialty stores, such as Browns of London and the United Arrows and Intellectual Galleries boutiques in Japan.
- 13. In 1993, the Council of Fashion Designers of America ("CFDA") presented Plaintiff Chrome Hearts with an unsolicited award as designer of the year for its innovated accessories and jewelry designs.
- 14. Most of Chrome Hearts products, including its jewelry, leather goods, and furniture, are handmade in Los Angeles by Chrome Hearts' craftsmen. The level of expert workmanship exercised by these individuals is superior and conforms with the strict standards established by Chrome Hearts.
- 15. Works designed by Chrome Hearts have been praised and recognized in numerous articles appearing in both trade publications and publications directed to the general public around the world, including articles in the United States, Germany, Japan and France. These articles have acclaimed the high artistry, fashion and style of Chrome Hearts' designs and the uniqueness of the designs.
- 16. Chrome Hearts is the owner of the word/mark "CHROME HEARTS" and various composite trademarks comprising the Chrome Hearts mark and assorted design components (hereinafter collectively the "Chrome Hearts Marks").
- 17. Chrome Hearts' most iconic and well recognized trademarks include, but are not limited to, the following trademark registrations:

Mark	U.S. Registration No(s).	Goods/Services
CH Plus Mark	3,385,449	Jewelry, namely, bracelets, rings, watch bands, necklaces and lighters made of precious metals
CH Cross Mark	3,605,860	Jewelry, namely, rings, earrings, pendants, necklaces, bracelets, cuff bracelets, cuff links, watch bracelets and key rings made of precious metals
Classic Oval Mark	3,784,782	Hair accessories, namely, hair clips, barrettes, hair bands, buttons, hair pins and ribbons

- 18. Registrations for the Chrome Hearts Marks are valid, subsisting and are incontestable. Through longstanding use, advertising, and registration, the Chrome Hearts Marks have achieved a high degree of consumer recognition and constitute famous marks.
- 19. Chrome Hearts has continuously used the Chrome Hearts Marks in interstate commerce in connection with the sale, distribution, promotion, and advertising of its goods since their respective dates for first use.
- 20. The Chrome Hearts Marks have come to identify, in the United States and throughout the world, high quality leather fashions, jewelry and accessories designed and manufactured by Chrome Hearts.
- 21. Due to Chrome Hearts' long use, extensive sales, and significant advertising and promotional activities, the Chrome Hearts Marks have achieved widespread acceptance and recognition among the consuming public and trade throughout the United States.

B. Defendant's Infringing Conduct

- 22. Upon information and belief, Defendant Boutique Talulah is a retail store located at Caesar's Palace at 3500 South Las Vegas Boulevard, Las Vegas, Nevada 89109.
- 23. Upon information and belief, Defendant has been engaged in the production, distribution, promotion, advertising, offering for sale, and/or sale of products, bearing marks identical and/or substantially indistinguishable one or more of Plaintiff's famous Chrome Hearts Marks.
- 24. Representatives from Chrome Hearts have inspected the merchandise obtained from Boutique Talulah and have determined said product to be counterfeit.
- 25. Defendant is not authorized by Chrome Hearts to manufacture, distribute, advertise, offer for sale, and/or sell merchandise bearing any of Plaintiff's federally registered trademarks and copyrights.

FIRST CLAIM FOR RELIEF

(Trademark Infringement)

- 26. Plaintiff incorporates herein by reference the averments of the preceding paragraphs as though fully set forth herein.
- 27. Plaintiff's Chrome Hearts Marks are nationally recognized, including within the District of Nevada, as being affixed to goods and merchandise of the highest quality and coming from Plaintiff.
- 28. The registrations embodying the Chrome Hearts Marks are in full force and effect and Plaintiff has authorized responsible manufacturers and vendors to sell merchandise with these marks.
- 29. Defendant's unauthorized use of the Chrome Hearts Marks in interstate commerce and advertising relating to same constitutes false designation of origin and a false representation that the goods and services are manufactured, offered, sponsored, authorized, licensed by or otherwise connected with Plaintiff or come from the same

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source as Plaintiff's goods and are of the same quality as that assured by Chrome Hearts' Marks.

- 30. Defendant's use of Plaintiff's trademarks is without Plaintiff's permission or authority and in total disregard of Plaintiff's rights to control its trademarks.
- 31. Defendant's activities are likely to lead to and result in confusion, mistake or deception, and are likely to cause the public to believe that Plaintiff has produced, sponsored, authorized, licensed or is otherwise connected or affiliated with Defendant's commercial and business activities, all to the detriment of Plaintiff.
- 32. Upon information and belief, Defendant's acts are deliberate and intended to confuse the public as to the source of Defendant's goods or services and to injure Plaintiff and reap the benefit of Plaintiff's goodwill associated with Plaintiff's trademarks.
 - 33. Defendant's acts violate the Lanham Act.
- 34. As a direct and proximate result of Defendant's willful and unlawful conduct, Plaintiff has been injured and will continue to suffer injury to its business and reputation unless Defendant is restrained by this Court from infringing Plaintiff's trademarks.
 - 35. Plaintiff has no adequate remedy at law.
- 36. In light of the foregoing, Plaintiff is entitled to injunctive relief prohibiting Defendant from using the Chrome Hearts Marks, or any marks identical and/or confusingly similar thereto, for any purpose, and to recover from Defendant all damages, including attorneys' fees, that Plaintiff has sustained and will sustain as a result of such infringing acts, and all gains, profits and advantages obtained by Defendant as a result thereof, in an amount not yet known, as well as the costs of this action pursuant to 15 U.S.C. § 1117(a), attorneys' fees and treble damages pursuant to 15 U.S.C. § 1117(b), and/or statutory damages pursuant to 15 U.S.C § 1117(c).

SECOND CLAIM FOR RELIEF

(Trademark Dilution in Violation of Lanham Act)

- 37. Plaintiff incorporates herein by reference the averments of the preceding paragraphs as though fully set forth herein.
- 38. Plaintiff's Chrome Hearts Marks are "famous" within the meaning of the Lanham Act.
- 39. Defendant has used in commerce in connection with the sale of their products counterfeit reproductions of the Chrome Hearts Marks, which is likely to cause, and most likely has caused, confusion or mistake as to the affiliation, connection, or association between Defendant and Plaintiff, or as to the origin, sponsorship, or approval of said counterfeit goods by Plaintiff.
- 40. Defendant's acts described above have diluted and continue to dilute Plaintiff's unique and distinctive trademarks. These acts violate the Lanham Act, have injured and, unless immediately restrained, will continue to injure Plaintiff, causing damage to Plaintiff in an amount to be determined at trial, as well as irreparable injury to Plaintiff's goodwill and reputation associated with the value of Plaintiff's trademarks.
- 41. Upon information and belief, Defendant's unlawful actions began long after Plaintiff's Chrome Hearts Marks became famous.
- 42. Upon information and belief, Defendant acted knowingly, deliberately and willfully with the intent to trade on Plaintiff's reputation and to dilute Plaintiff's Chrome Hearts Marks. Defendant's conduct is willful, wanton and egregious.
- 43. Plaintiff has no adequate remedy at law to compensate it fully for the damages that have been caused and which will continue to be caused by Defendant's unlawful acts, unless they are enjoined by this Court.
- 44. In light of the foregoing, Plaintiff is entitled to injunctive relief prohibiting Defendant from using the Chrome Hearts Marks, or any marks/designs identical and/or confusingly similar thereto and to recover all damages, including attorneys' fees, that

Plaintiff has sustained and will sustain, and all gains, profits and advantages obtained by Defendant as a result of their infringing acts alleged above in an amount not yet known, and the costs of this action.

THIRD CLAIM FOR RELIEF

(Dilution Under Nevada State Law – N.R.S. § 600.435)

- 45. Plaintiff incorporates herein by reference the averments of the preceding paragraphs as though fully set forth herein.
- 46. Plaintiff's Chrome Hearts Marks are distinctive in the state of Nevada by virtue of their substantial inherent and acquired distinctiveness, extensive use in the state of Nevada and the extensive advertising and wide spread publicity of the marks in the state of Nevada.
- 47. As a result of the substantial inherent and acquired distinctiveness of the Chrome Hearts Marks, their extensive use, and the extensive advertising and publicity of said marks/designs, they have become strong and are widely renowned throughout the United States, including Nevada.
- 48. Defendant's unauthorized use of the Chrome Hearts Marks has caused and will likely continue to cause confusion in the relevant consumer market.
- 49. Defendant's unauthorized use of Plaintiff's Chrome Hearts Marks on its merchandise in interstate commerce and advertising relating to same constitutes false designation of origin and a false representation that the goods are manufactured, offered, sponsored, authorized, licensed by or otherwise connected with Plaintiff or come from the same source as Plaintiff's goods when, in fact, they do not.
- 50. The actions of Defendant complained of herein are likely to injure the business reputation and dilute the distinctive quality of the Chrome Hearts Marks, which is famous.
- 51. The foregoing acts of Defendant constitute dilution and injury to business reputation in violation of Section 600.435 of the Nevada Revised Statute.

- 52. The conduct herein complained of was extreme, outrageous, fraudulent, and was inflicted on Plaintiff in reckless disregard of Plaintiff's rights. Said conduct was despicable and harmful to Plaintiff and as such supports an award of exemplary and punitive damages in an amount sufficient to punish and make an example of the Defendant and to deter them from similar such conduct in the future.
- 53. By reason of the foregoing, Plaintiff is being damaged by Defendant's unauthorized and illegal use of the Chrome Hearts Marks in the manner set forth above and will continue to be damaged unless Defendant is immediately enjoined from using any of Plaintiff's trademarks and famous designs.
- 54. Plaintiff has no adequate remedy at law. Plaintiff will be irreparably injured by the continued acts of Defendant, unless such acts are enjoined.

FOURTH CLAIM FOR RELIEF

(Federal Unfair Competition)

- 55. Plaintiff incorporates herein by reference the averments of the preceding paragraphs as though fully set forth herein.
- 56. The Chrome Hearts Marks are nonfunctional and their inherently distinctive quality has achieved a high degree of consumer recognition and serves to identify Chrome Hearts as the source of high quality goods.
- 57. Defendant's unauthorized use of Plaintiff's Chrome Hearts Marks on its merchandise in interstate commerce and advertising relating to same constitutes false designation of origin and a false representation that the goods are manufactured, offered, sponsored, authorized, licensed by or otherwise connected with Plaintiff or come from the same source as Plaintiff's goods when, in fact, they do not.
- 58. Defendant's use of Plaintiff's Chrome Hearts Marks is without Plaintiff's permission or authority and in total disregard of Plaintiff's rights to control its trademarks.
- 59. Defendant's activities are likely to lead to and result in confusion, mistake or deception, and are likely to cause the public to believe that Plaintiff has produced,

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sponsored, authorized, licensed or is otherwise connected or affiliated with Defendant's commercial and business activities, all to the detriment of Plaintiff.

- 60. The aforesaid acts constitute Federal Unfair Competition in violation of Title 15 U.S.C. § 1125(a).
 - Plaintiff has no adequate remedy at law. 61.
- In light of the foregoing, Plaintiff is entitled to injunctive relief prohibiting 62. Defendant from using Plaintiff's Chrome Hearts Marks, or any marks/designs identical and/or confusingly similar thereto, and to recover all damages, including attorneys' fees, that Plaintiff has sustained and will sustain, and all gains, profits and advantages obtained by Defendant as a result of their infringing acts alleged above in an amount not yet known, and the costs of this action.

FIFTH CLAIM FOR RELIEF

(Common Law Unfair Competition)

- Plaintiff incorporates herein by reference the averments of the preceding 63. paragraphs as though fully set forth herein.
- Plaintiff owns and enjoys common law rights in Nevada and throughout the United States to the Chrome Hearts Marks.
- Defendant's unlawful acts in appropriating rights in Plaintiff's common 65. law trademarks were intended to capitalize on Plaintiff's goodwill for Defendant's own pecuniary gain. Plaintiff has expended substantial time, resources and effort to obtain an excellent reputation for itself and its family of Marks. As a result of Plaintiff's efforts, Defendant is now unjustly enriched and are benefiting from property rights that rightfully belong to Plaintiff.
- Defendant's unauthorized use of Plaintiff's Chrome Hearts Marks has 66. caused and is likely to cause confusion as to the source of Defendant's products, all to the detriment of Plaintiff.
- Defendant's acts are willful, deliberate, and intended to confuse the public 67. and to injure Plaintiff.

- 68. Defendant's acts constitute unfair competition under Nevada common law.
- 69. Plaintiff has been irreparably harmed and will continue to be irreparably harmed as a result of Defendant's unlawful acts unless Defendant is permanently enjoined from their unlawful conduct.
- 70. The conduct herein complained of was extreme, outrageous, fraudulent, and was inflicted on Plaintiff in reckless disregard of Plaintiff's rights. Said conduct was despicable and harmful to Plaintiff and as such supports an award of exemplary and punitive damages in an amount sufficient to punish and make an example of the Defendant and to deter them from similar such conduct in the future.
 - 71. Plaintiff has no adequate remedy at law.
- 72. In light of the foregoing, Plaintiff is entitled to injunctive relief prohibiting Defendant from using Plaintiff's Chrome Hearts Marks, or any other marks/designs identical and/or confusingly similar thereto, for any purpose, and to recover all damages, including attorneys' fees, that Plaintiff has sustained and will sustain and all gains, profits and advantages obtained by Defendant as a result of their infringing acts alleged above in an amount not yet known, and the costs of this action.

SIXTH CLAIM FOR RELIEF

(Copyright Infringement)

- 73. Plaintiff incorporates herein by reference the averments of the preceding paragraphs as though fully set forth herein.
- 74. In addition to owning numerous trademark registrations to the Chrome Hearts Marks, Plaintiff also owns several copyright registrations thereto, including the following: CH Cross Mark (U.S. Copyright Reg. No. VA 705-193), the CH Plus Mark ("Cross # 4" of Reg. No. VA 705-233), and the Classic Oval Mark (Reg. Nos. VA 705-234 and VA 642-738) (hereinafter collectively "Copyrighted Works").
- 75. As the owner of the Copyrighted Works, Plaintiff Chrome Hearts is entitled to exclusive use thereof without the unauthorized use by third parties.

- 76. Given the widespread popularity of its Copyrighted Works, Defendant had access to the work and upon information and belief Defendant has knowingly infringed upon it by manufacturing, distributing and selling products bearing marks which are substantially similar to Chrome Hearts' Copyrighted Works, in violation of 17 U.S.C. § 501.
- 77. Upon information and belief, Defendant has intentionally, knowingly and willfully copied Chrome Hearts' Copyrighted Works to benefit from the widespread customer recognition and acceptance of them and to capitalize upon the market created by Plaintiff Chrome Hearts for its designs.
- 78. Upon information and belief, the aforesaid infringement by Defendant of Plaintiff Chrome Hearts' Copyrighted Works was and continues to be with the knowledge that such designs are copyrighted and the Defendant, in doing the acts complained of herein, have willfully infringed upon Chrome Hearts' rights under the Copyright Laws of the United States, Title 17 U.S.C. § 101, et seq.
- 79. Defendant's infringement of Chrome Hearts' Copyrighted Works is to the great and irreparable damage of Plaintiff, and Plaintiff is informed and believes, as indicated, that Defendant will continue such infringement unless enjoined by this Court.
 - 80. Plaintiff has no adequate remedy at law.
- 81. In light of the foregoing, Plaintiff is entitled to injunctive relief prohibiting Defendant from using Chrome Hearts' Copyrighted Works or any designs identical and/or substantially similar thereto for any purpose, and to recover from Defendant all damages, including attorneys' fees, that Plaintiff has sustained and will sustain as a result of such infringing acts, and all gains, profits and advantages obtained by Defendant as a result thereof, in an amount not yet known, as well as the costs of this action pursuant to 17 U.S.C. § 504(b), or in the alternative statutory damages pursuant to 17 U.S.C. § 504(c), and/or any additional damages pursuant to 17 U.S.C. § 504(d).

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Chrome Hearts, LLC respectfully prays that this Court enter judgment in its favor and against Defendant as follows:

- A. Granting temporary, preliminary and permanent injunctive relief restraining Defendant, their agents, servants, employees, officers, associates, attorneys, and all persons acting by, through, or in concert with any of them, from:
- (1) Manufacturing, producing, importing, exporting, advertising, marketing, promoting, supplying, distributing, offering for sale, or selling any products which bear the Chrome Hearts Marks, or any marks identical, substantially indistinguishable, and/or confusingly similar thereto;
- (2) Manufacturing, producing, importing, exporting, advertising, marketing, promoting, supplying, distributing, offering for sale, or selling any products which bear Chrome Hearts' Copyrighted Works, or any designs identical and/or substantially similar thereto;
- (3) Committing any other acts which falsely represents or which has the effect of falsely representing that the goods and services of Defendant is licensed by, authorized by, offered by, produced by, sponsored by, or in any other way associated with Plaintiff;
- (4) Otherwise diluting Chrome Hearts' federally registered trademarks and/or copyrighted works;
 - (5) Unfairly competing with Plaintiff.
- B. Ordering Defendant to recall from any distributors and retailers and to deliver to Chrome Hearts and/or its counsel for destruction or other disposition all remaining inventory of all infringing products, including all advertisements, promotional and marketing materials therefore, as well as means of making same;
- C. Ordering Defendant to file with this Court and serve on Plaintiff within thirty (30) days after entry of the injunction a report in writing, under oath setting forth in detail the manner and form in which Defendants have complied with the injunction;

DEMAND FOR JURY TRIAL

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiff hereby demands a trial by jury as to all claims in this litigation.

Dated: February 21, 2012

MEYERS McCONNELL REISZ SIDERMAN

By:

Lori E. Siderman
Attorneys for Plaintiff
Chrome Hearts, LLC